The Geopolitics of the United States, Part 1: The Inevitable Empire

May 28, 2011, Stratfor

Editor's Note: *Originally published Aug. 24, 2011, this installment on the United States, presented in two parts, is the 16th in a series of Stratfor monographs on the geopolitics of countries influential in world affairs.*

Like nearly all of the peoples of North and South America, most Americans are not originally from the territory that became the United States. They are a diverse collection of peoples primarily from a dozen different Western European states, mixed in with smaller groups from a hundred more. All of the New World entities struggled to carve a modern nation and state out of the American continents. Brazil is an excellent case of how that struggle can be a difficult one. The United States falls on the opposite end of the spectrum.

The American geography is an impressive one. The Greater Mississippi Basin together with the Intracoastal Waterway has more kilometers of navigable internal waterways than the rest of the world combined. The American Midwest is both overlaid by this waterway and is the world's largest contiguous piece of farmland. The U.S. Atlantic Coast possesses more major ports than the rest of the Western Hemisphere combined. Two vast oceans insulated the United States from Asian and European powers, deserts separate the United States from Mexico to the south, while lakes and forests separate the population centers in Canada from those in the United States. The United States has capital, food surpluses and physical insulation in excess of every other country in the world by an exceedingly large margin. So like the Turks, the Americans are not important because of who they are, but because of where they live.

The North American Core

North America is a triangle-shaped continent centered in the temperate portions of the Northern Hemisphere. It is of sufficient size that its northern reaches are fully Arctic and its southern reaches are fully tropical. Predominant wind currents carry moisture from west to east across the continent.

Climatically, the continent consists of a series of wide north-south precipitation bands largely shaped by the landmass' longitudinal topography. The Rocky Mountains dominate the Western third of the northern and central parts of North America, generating a rain-shadow effect just east of the mountain range -- an area known colloquially as the Great Plains. Farther east of this semiarid region are the well-watered plains of the prairie provinces of Canada and the American Midwest. This zone comprises both the most productive and the largest contiguous acreage of arable land on the planet.

East of this premier arable zone lies a second mountain chain known as the Appalachians. While this chain is far lower and thinner than the Rockies, it still constitutes a notable barrier to movement and economic development. However, the lower elevation of the mountains combined with the wide coastal plain of the East Coast does not result in the rain-shadow effect of the Great Plains. Consequently, the coastal plain of the East Coast is well-watered throughout.

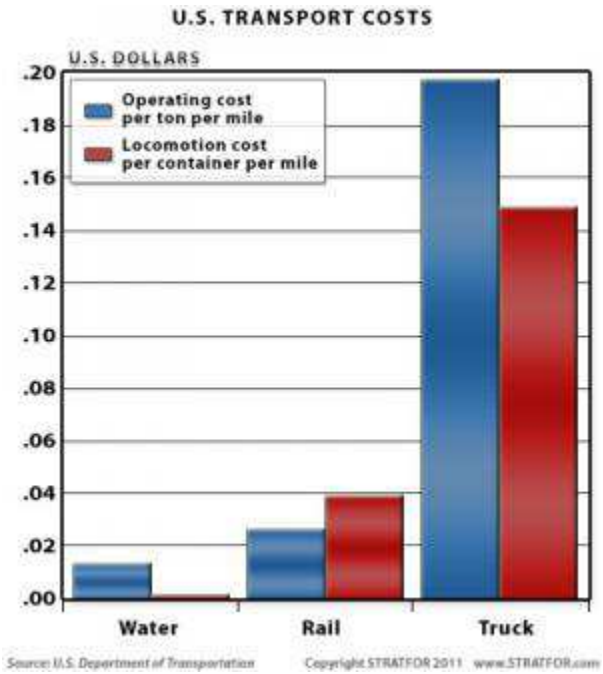
In the continent's northern and southern reaches this longitudinal pattern is not quite so clear-cut. North of the Great Lakes region lies the Canadian Shield, an area where repeated glaciation has scraped off most of the topsoil. That, combined with the area's colder climate, means that these lands are not nearly as productive as regions farther south or west and, as such, remain largely unpopulated to the modern day. In the south -- Mexico -- the North American landmass narrows drastically from more than 5,000 kilometers (about 3,100 miles) wide to, at most, 2,000 kilometers, and in most locations less than 1,000

kilometers. The Mexican extension also occurs in the Rocky Mountain/Great Plains longitudinal zone, generating a wide, dry, irregular uplift that lacks the agricultural promise of the Canadian prairie provinces or American Midwest.

The continent's final geographic piece is an isthmus of varying width, known as Central America, that is too wet and rugged to develop into anything more than a series of isolated city-states, much less a single country that would have an impact on continental affairs. Due to a series of swamps and mountains where the two American continents join, there still is no road network linking them, and the two Americas only indirectly affect each other's development.

The most distinctive and important feature of North America is the river network in the middle third of the continent. While its components are larger in both volume and length than most of the world's rivers, this is not what sets the network apart. Very few of its tributaries begin at high elevations, making vast tracts of these rivers easily navigable. In the case of the Mississippi, the head of navigation -- just north of Minneapolis -- is 3,000 kilometers inland.

The network consists of six distinct river systems: the Missouri, Arkansas, Red, Ohio, Tennessee and, of course, the Mississippi. The unified nature of this system greatly enhances the region's usefulness and potential economic and political power. First, shipping goods via water is an order of magnitude cheaper than shipping them via land. The specific ratio varies greatly based on technological era and local topography, but in the petroleum age in the United States, the cost of transport via water is roughly 10 to 30 times cheaper than overland. This simple fact makes countries with robust maritime transport options extremely capital-rich when compared to countries limited to land-only options. This factor is the primary reason why the major economic powers of the past half-millennia have been Japan, Germany, France, the United Kingdom and the United States.

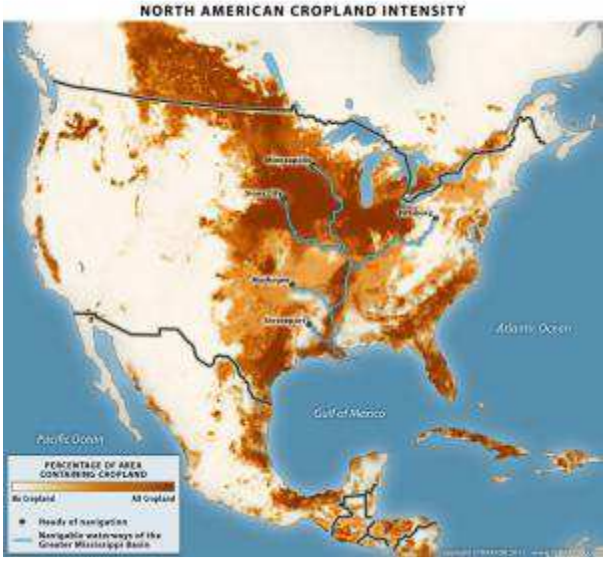


Second, the watershed of the Greater Mississippi Basin largely overlays North America's arable lands. Normally, agricultural areas as large as the American Midwest are underutilized as the cost of shipping their output to more densely populated regions cuts deeply into the economics of agriculture. The Eurasian steppe is an excellent example. Even in modern times Russian and Kazakh crops occasionally rot before they can reach market. Massive artificial transport networks must be constructed and maintained in order for the land to reach its full potential. Not so in the case of the Greater Mississippi

Basin. The vast bulk of the prime agricultural lands are within 200 kilometers of a stretch of navigable river. Road and rail are still used for collection, but nearly omnipresent river ports allow for the entirety of the basin's farmers to easily and cheaply ship their products to markets not just in North America but all over the world.

Third, the river network's unity greatly eases the issue of political integration. All of the peoples of the basin are part of the same economic system, ensuring constant contact and common interests. Regional proclivities obviously still arise, but this is not Northern Europe, where a variety of separate river systems have given rise to multiple national identities.

It is worth briefly explaining why Stratfor fixates on navigable rivers as opposed to coastlines. First, navigable rivers by definition service twice the land area of a coastline (rivers have two banks, coasts only one). Second, rivers are not subject to tidal forces, greatly easing the construction and maintenance of supporting infrastructure. Third, storm surges often accompany oceanic storms, which force the evacuation of oceanic ports. None of this eliminates the usefulness of coastal ports, but in terms of the capacity to generate capital, coastal regions are a poor second compared to lands with navigable rivers.



There are three other features -- all maritime in nature -- that further leverage the raw power that the Greater Mississippi Basin provides. First are the severe indentations of North America's coastline, granting the region a wealth of sheltered bays and natural, deep-water ports. The more obvious examples include the Gulf of St. Lawrence, San Francisco Bay, Chesapeake Bay, Galveston Bay and Long Island Sound/New York Bay.

Second, there are the Great Lakes. Unlike the Greater Mississippi Basin, the Great Lakes are not naturally navigable due to winter freezes and obstacles such as Niagara Falls. However, over the past 200 years extensive hydrological engineering has been completed -- mostly by Canada -- to allow for full navigation on the lakes. Since 1960, penetrating halfway through the continent, the Great Lakes have provided a secondary water transport system that has opened up even more lands for productive use and provided even greater capacity for North American capital generation. The benefits of this system are reaped mainly by the warmer lands of the United States rather than the colder lands of Canada, but since the Great Lakes constitute Canada's only maritime transport option for reaching the interior, most of the engineering was paid for by Canadians rather than Americans.

Third and most important are the lines of barrier islands that parallel the continent's East and Gulf coasts. These islands allow riverine Mississippi traffic to travel in a protected intracoastal waterway all the way south to the Rio Grande and all the way north to the Chesapeake Bay. In addition to serving as a sort of oceanic river, the island chain's proximity to the Mississippi delta creates an extension of sorts for all Mississippi shipping, in essence extending the political and economic unifying tendencies of the Mississippi Basin to the eastern coastal plain.

Thus, the Greater Mississippi Basin is the continent's core, and whoever controls that core not only is certain to dominate the East Coast and Great Lakes regions but will also have the agricultural, transport, trade and political unification capacity to be a world power -- even without having to interact with the rest of the global system.

There is, of course, more to North America than simply this core region and its immediate satellites. There are many secondary stretches of agricultural land as well -- those just north of the Greater Mississippi Basin in south-central Canada, the lands just north of Lake Erie and Lake Ontario, the Atlantic coastal plain that wraps around the southern terminus of the Appalachians, California's Central Valley, the coastal plain of the Pacific Northwest, the highlands of central Mexico and the Veracruz region.

But all of these regions combined are considerably smaller than the American Midwest and are not ideal, agriculturally, as the Midwest is. Because the Great Lakes are not naturally navigable, costly canals must be constructed. The prairie provinces of south-central Canada lack a river transport system altogether. California's Central Valley requires irrigation. The Mexican highlands are semiarid and lack any navigable rivers.

The rivers of the American Atlantic coastal plain -- flowing down the eastern side of the Appalachians -- are neither particularly long nor interconnected. This makes them much more like the rivers of Northern Europe in that their separation localizes economic existence and fosters distinct political identities, dividing the region rather than uniting it. The formation of such local -- as opposed to national -- identities in many ways contributed to the American Civil War.

But the benefits of these secondary regions are not distributed evenly. What is now Mexico lacks even a single navigable river of any size. Its agricultural zones are disconnected and it boasts few good natural ports. Mexico's north is too dry while its south is too wet -- and both are too mountainous -- to support major population centers or robust agricultural activities. Additionally, the terrain is just rugged enough

-- making transport just expensive enough -- to make it difficult for the central government to enforce its writ. The result is the near lawlessness of the cartel lands in the north and the irregular spasms of secessionist activity in the south.

Canada's maritime transport zones are far superior to those of Mexico but pale in comparison to those of the United States. Its first, the Great Lakes, not only requires engineering but is shared with the United States. The second, the St. Lawrence Seaway, is a solid option (again with sufficient engineering), but it services a region too cold to develop many dense population centers. None of Canada boasts naturally navigable rivers, often making it more attractive for Canada's provinces -- in particular the prairie provinces and British Columbia -- to integrate with the United States, where transport is cheaper, the climate supports a larger population and markets are more readily accessible. Additionally, the Canadian Shield greatly limits development opportunities. This vast region -- which covers more than half of Canada's landmass and starkly separates Quebec City, Montreal, Toronto and the prairie provinces -- consists of a rocky, broken landscape perfect for canoeing and backpacking but unsuitable for agriculture or habitation.

So long as the United States has uninterrupted control of the continental core -- which itself enjoys independent and interconnected ocean access -- the specific locations of the country's northern and southern boundaries are somewhat immaterial to continental politics. To the south, the Chihuahuan and Sonoran deserts are a significant barrier in both directions, making the exceedingly shallow Rio Grande a logical -- but hardly absolute -- border line. The eastern end of the border could be anywhere within 300 kilometers north or south of its current location (at present the border region's southernmost ports -- Brownsville and Corpus Christi -- lie on the U.S. side of the border). As one moves westward to the barren lands of New Mexico, Arizona, Chihuahua and Sonora, the possible variance increases considerably. Even controlling the mouth of the Colorado River where it empties into the Gulf of California is not a critical issue, since hydroelectric development in the United States prevents the river from reaching the Gulf in most years, making it useless for transport.

In the north, the Great Lakes are obviously an ideal break point in the middle of the border region, but the specific location of the line along the rest of the border is largely irrelevant. East of the lakes, low mountains and thick forests dominate the landscape -- not the sort of terrain to generate a power that could challenge the U.S. East Coast. The border here could theoretically lie anywhere between the St. Lawrence Seaway and Massachusetts without compromising the American population centers on the East Coast (although, of course, the farther north the line is the more secure the East Coast will be). West of the lakes is flat prairie that can be easily crossed, but the land is too cold and often too dry, and, like the east, it cannot support a large population. So long as the border lies north of the bulk of the Missouri River's expansive watershed, the border's specific location is somewhat academic, and it becomes even more so when one reaches the Rockies.

On the far western end of the U.S.-Canada border is the only location where there could be some border friction. The entrance to Puget Sound -- one of the world's best natural harbors -- is commanded by Vancouver Island. Most of the former is United States territory, but the latter is Canadian -- in fact, the capital of British Columbia, Victoria, sits on the southern tip of that strategic island for precisely that reason. However, the fact that British Columbia is more than 3,000 kilometers from the Toronto region and that there is a 12:1 population imbalance between British Columbia and the American West Coast largely eliminates the possibility of Canadian territorial aggression.

It is common knowledge that the United States began as 13 rebellious colonies along the east coast of the center third of the North American continent. But the United States as an entity was not a sure thing in the beginning. France controlled the bulk of the useful territory that in time would enable the United States to rise to power, while the Spanish empire boasted a larger and more robust economy and

population in the New World than the fledgling United States. Most of the original 13 colonies were lightly populated by European standards -- only Philadelphia could be considered a true city in the European sense -- and were linked by only the most basic of physical infrastructure. Additionally, rivers flowed west to east across the coastal plain, tending to sequester regional identities rather than unify them.

But the young United States held two advantages. First, without exception, all of the European empires saw their New World holdings as secondary concerns. For them, the real game -- and always the real war -- was on another continent in a different hemisphere. Europe's overseas colonies were either supplementary sources of income or chips to be traded away on the poker table of Europe. France did not even bother using its American territories to dispose of undesirable segments of its society, while Spain granted its viceroys wide latitude in how they governed imperial territories simply because it was not very important so long as the silver and gold shipments kept arriving. With European attentions diverted elsewhere, the young United States had an opportunity to carve out a future for itself relatively free of European entanglements.

Second, the early United States did not face any severe geographic challenges. The barrier island system and local rivers provided a number of options that allowed for rapid cultural and economic expansion up and down the East Coast. The coastal plain -- particularly in what would become the American South -- was sufficiently wide and well-watered to allow for the steady expansion of cities and farmland. Choices were limited, but so were challenges. This was not England, an island that forced the early state into the expense of a navy. This was not France, a country with three coasts and two land borders that forced Paris to constantly deal with threats from multiple directions. This was not Russia, a massive country suffering from short growing seasons that was forced to expend inordinate sums of capital on infrastructure simply to attempt to feed itself. Instead, the United States could exist in relative peace for its first few decades without needing to worry about any large-scale, omnipresent military or economic challenges, so it did not have to garrison a large military. Every scrap of energy the young country possessed could be spent on making itself more sustainable. When viewed together -- the robust natural transport network overlaying vast tracts of excellent farmland, sharing a continent with two much smaller and weaker powers -- it is inevitable that whoever controls the middle third of North America will be a great power.

With these basic inputs, the American polity was presented a set of imperatives it had to achieve in order to be a successful nation. They are only rarely declared elements of national policy, instead serving as a sort of subconscious set of guidelines established by geography that most governments -- regardless of composition or ideology -- find themselves following. The United States' strategic imperatives are presented here in five parts. Normally imperatives are pursued in order, but there is considerable time overlap between the first two and the second two.

1. Dominate the Greater Mississippi Basin

The early nation was particularly vulnerable to its former colonial master. The original 13 colonies were hardwired into the British Empire economically, and trading with other European powers (at the time there were no other independent states in the Western Hemisphere) required braving the seas that the British still ruled. Additionally, the colonies' almost exclusively coastal nature made them easy prey for that same navy should hostilities ever recommence, as was driven brutally home in the War of 1812 in which Washington was sacked.

There are only two ways to protect a coastal community from sea power. The first is to counter with another navy. But navies are very expensive, and it was all the United States could do in its first 50 years of existence to muster a merchant marine to assist with trade. France's navy stood in during the

Revolutionary War in order to constrain British power, but once independence was secured, Paris had no further interest in projecting power to the eastern shore of North America (and, in fact, nearly fought a war with the new country in the 1790s).

The second method of protecting a coastal community is to develop territories that are not utterly dependent upon the sea. Here is where the United States laid the groundwork for becoming a major power, since the strategic depth offered in North America was the Greater Mississippi Basin.

Achieving such strategic depth was both an economic and a military imperative. With few exceptions, the American population was based along the coast, and even the exceptions -- such as Philadelphia -- were easily reached via rivers. The United States was entirely dependent upon the English imperial system not just for finished goods and markets but also for the bulk of its non-agricultural raw materials, in particular coal and iron ore. Expanding inland allowed the Americans to substitute additional supplies from mines in the Appalachian Mountains. But those same mountains also limited just how much depth the early Americans could achieve. The Appalachians may not be the Swiss Alps, but they were sufficiently rugged to put a check on any deep and rapid inland expansion. Even reaching the Ohio River Valley -- all of which lay within the initial territories of the independent United States -- was largely blocked by the Appalachians. The Ohio River faced the additional problem of draining into the Mississippi, the western shore of which was the French territory of Louisiana and all of which emptied through the fully French-held city of New Orleans.

The United States solved this problem in three phases. First, there was the direct purchase of the Louisiana Territory from France in 1803. (Technically, France's Louisiana Territory was Spanish-held at this point, its ownership having been swapped as a result of the Treaty of Paris in 1763 that ended the Seven Years' War. In October 1800, France and Spain agreed in secret to return the lands to French control, but news of the transfer was not made public until the sale of the lands in question to the United States in July 1803. Therefore, between 1762 and 1803 the territory was legally the territory of the Spanish crown but operationally was a mixed territory under a shifting patchwork of French, Spanish and American management.)

At the time, Napoleon was girding for a major series of wars that would bear his name. France not only needed cash but also to be relieved of the security burden of defending a large but lightly populated territory in a different hemisphere. The Louisiana Purchase not only doubled the size of the United States but also gave it direct ownership of almost all of the Mississippi and Missouri river basins. The inclusion of the city of New Orleans in the purchase granted the United States full control over the entire watershed. Once the territory was purchased, the challenge was to develop the lands. Some settlers migrated northward from New Orleans, but most came via a different route.

The second phase of the strategic-depth strategy was the construction of that different route: the National Road (aka the Cumberland Road). This project linked Baltimore first to Cumberland, Md. -- the head of navigation of the Potomac -- and then on to the Ohio River Valley at Wheeling, W. Va., by 1818. Later phases extended the road across Ohio (1828), Indiana (1832) and Illinois (1838) until it eventually reached Jefferson City, Mo., in the 1840s. This single road (known in modern times as U.S. Route 40 or Interstate 70 for most of its length) allowed American pioneers to directly settle Ohio, Indiana, Illinois and Missouri and granted them initial access to Michigan, Wisconsin, Iowa and Minnesota. For the better part of a century, it was the most heavily trafficked route in the country, and it allowed Americans not only to settle the new Louisiana Territory but also to finally take advantage of the lands ceded by the British in 1787. With the road's completion, the original 13 colonies were finally lashed to the Greater Mississippi Basin via a route that could not be challenged by any outside power.

The third phase of the early American expansion strategy was in essence an extension of the National Road via a series of settlement trails, by far the most important and famous of which was the Oregon Trail. While less of a formal construction than the National Road, the Oregon Trail opened up far larger territories. The trail was directly responsible for the initial settling of Kansas, Nebraska, Wyoming, Idaho and Oregon. A wealth of secondary trails branched off from the main artery -- the Mormon, Bozeman, California and Denver trails -- and extended the settlement efforts to Montana, Colorado, Utah, Nevada and California. The trails were all active from the early 1840s until the completion of the country's first transcontinental railway in 1869. That project's completion reduced East Coast-West Coast travel time from six months to eight days and slashed the cost by 90 percent (to about $1,100 in 2011 dollars). The river of settlers overnight turned into a flood, finally cementing American hegemony over its vast territories.

Collectively, the Louisiana Purchase, the National Road and the Oregon Trail facilitated the largest and fastest cultural expansion in human history. From beginning to end, the entire process required less than 70 years. However, it should be noted that the last part of this process -- the securing of the West Coast -- was not essential to American security. The Columbia River Valley and California's Central Valley are not critical American territories. Any independent entities based in either could not possibly generate a force capable of threatening the Greater Mississippi Basin. This hardly means that these territories are unattractive or a net loss to the United States -- among other things, they grant the United States full access to the Pacific trading basin -- only that control of them is not imperative to American security.

2. Eliminate All Land-Based Threats to the Greater Mississippi Basin

The first land threat to the young United States was in essence the second phase of the Revolutionary War -- a rematch between the British Empire and the young United States in the War of 1812. That the

British navy could outmatch anything the Americans could float was obvious, and the naval blockade was crushing to an economy dependent upon coastal traffic. Geopolitically, the most critical part of the war was the participation of semi-independent British Canada. It wasn't so much Canadian participation in any specific battle of the war (although Canadian troops did play a leading role in the sacking of Washington in August 1814) as it was that Canadian forces, unlike the British, did not have a supply line that stretched across the Atlantic. They were already in North America and, as such, constituted a direct physical threat to the existence of the United States.

Canada lacked many of the United States' natural advantages even before the Americans were able to acquire the Louisiana Territory. First and most obvious, Canada is far enough north that its climate is far harsher than that of the United States, with all of the negative complications one would expect for population, agriculture and infrastructure. What few rivers Canada has neither interconnect nor remain usable year round. While the Great Lakes do not typically freeze, some of the river connections between them do. Most of these river connections also have rapids and falls, greatly limiting their utility as a transport network. Canada has made them more usable via grand canal projects, but the country's low population and difficult climate greatly constrain its ability to generate capital locally. Every infrastructure project comes at a great opportunity cost, such a high cost that the St. Lawrence Seaway -- a series of locks that link the St. Lawrence River to the Great Lakes and allow full ocean access -- was not completed until 1959.

Canada is also greatly challenged by geography. The maritime provinces -- particularly Newfoundland and Prince Edward Island -- are disconnected from the Canadian landmass and unable to capitalize on what geographic blessings the rest of the country enjoys. They lack even the option of integrating south with the Americans and so are perennially poor and lightly populated compared to the rest of the country. Even in the modern day, what population centers Canada does have are geographically sequestered from one another by the Canadian Shield and the Rocky Mountains.

As time advanced, none of Canada's geographic weaknesses worked themselves out. Even the western provinces -- British Columbia, Alberta, Saskatchewan and Manitoba -- are linked to Canada's core by only a single transport corridor that snakes 1,500 kilometers through the emptiness of western and central Ontario north of Lake Superior. All four provinces have been forced by geography and necessity to be more economically integrated with their southern neighbors than with their fellow Canadian provinces.

Such challenges to unity and development went from being inconvenient and expensive to downright dangerous when the British ended their involvement in the War of 1812 in February 1815. The British were exhausted from the Napoleonic Wars in Europe and, with the French Empire having essentially imploded, were more interested in reshaping the European balance of power than re-engaging the Americans in distant North America. For their part, the Americans were mobilized, angry and -- remembering vividly the Canadian/British sacking of Washington -- mulling revenge. This left a geographically and culturally fractured Canada dreading a long-term, solitary confrontation with a hostile and strengthening local power. During the following decades, the Canadians had little choice but to downgrade their ties to the increasingly disinterested British Empire, adopt political neutrality vis-a-vis Washington, and begin formal economic integration with the United States. Any other choice would have put the Canadians on the path to another war with the Americans (this time likely without the British), and that war could have had only one outcome.

With its northern border secured, the Americans set about excising as much other extra-hemispheric influence from North America as possible. The Napoleonic Wars had not only absorbed British attention but had also shattered Spanish power (Napoleon actually succeeded in capturing the king of Spain early in the conflicts). Using a combination of illegal settlements, military pressure and diplomacy, the United

States was able to gain control of east and west Florida from Madrid in 1819 in exchange for recognizing Spanish claims to what is now known as Texas (Tejas to the Spanish of the day).

This "recognition" was not even remotely serious. With Spain reeling from the Napoleonic Wars, Spanish control of its New World colonies was frayed at best. Most of Spain's holdings in the Western Hemisphere either had already established their independence when Florida was officially ceded, or -- as in Mexico -- were bitterly fighting for it. Mexico achieved its independence a mere two years after Spain ceded Florida, and the United States' efforts to secure its southwestern borders shifted to a blatant attempt to undermine and ultimately carve up the one remaining Western Hemispheric entity that could potentially challenge the United States: Mexico.

The Ohio and Upper Mississippi basins were hugely important assets, since they provided not only ample land for settlement but also sufficient grain production and easy transport. Since that transport allowed American merchants to easily access broader international markets, the United States quickly transformed itself from a poor coastal nation to a massively capital-rich commodities exporter. But these inner territories harbored a potentially fatal flaw: New Orleans. Should any nation but the United States control this single point, the entire maritime network that made North America such valuable territory would be held hostage to the whims of a foreign power. This is why the United States purchased New Orleans.

But even with the Louisiana Purchase, owning was not the same as securing, and all the gains of the Ohio and Louisiana settlement efforts required the permanent securing of New Orleans. Clearly, the biggest potential security threat to the United States was newly independent Mexico, the border with which was only 150 kilometers from New Orleans. In fact, New Orleans' security was even more precarious than such a small distance suggested.

Most of eastern Texas was forested plains and hills with ample water supplies -- ideal territory for hosting and supporting a substantial military force. In contrast, southern Louisiana was swamp. Only the city of New Orleans itself could house forces, and they would need to be supplied from another location via ship. It did not require a particularly clever military strategy for one to envision a Mexican assault on the city.

The United States defused and removed this potential threat by encouraging the settlement of not just its own side of the border region but the other side as well, pushing until the legal border reflected the natural border -- the barrens of the desert. Just as the American plan for dealing with Canada was shaped by Canada's geographic weakness, Washington's efforts to first shield against and ultimately take over parts of Mexico were shaped by Mexico's geographic shortcomings.

In the early 1800s Mexico, like the United States, was a very young country and much of its territory was similarly unsettled, but it simply could not expand as quickly as the United States for a variety of reasons. Obviously, the United States enjoyed a head start, having secured its independence in 1783 while Mexico became independent in 1821, but the deeper reasons are rooted in the geographic differences of the two states.

In the United States, the cheap transport system allowed early settlers to quickly obtain their own small tracts of land. It was an attractive option that helped fuel the early migration waves into the United States and then into the continent's interior. Growing ranks of landholders exported their agricultural output either back down the National Road to the East Coast or down the Ohio and Mississippi rivers and on to Europe. Small towns formed as wealth collected in the new territories, and in time the wealth accumulated to the point that portions of the United States had the capital necessary to industrialize. The interconnected nature of the Midwest ensured sufficient economies of scale to reinforce this process, and

connections between the Midwest and the East Coast were sufficient to allow advances in one region to play off of and strengthen the other.

Mexico, in contrast, suffered from a complete lack of navigable rivers and had only a single good port (Veracruz). Additionally, what pieces of arable land it possessed were neither collected into a singular mass like the American interior nor situated at low elevations. The Mexico City region is arable only because it sits at a high elevation -- at least 2,200 meters above sea level -- lifting it out of the subtropical climate zone that predominates at that latitude.

This presented Mexico with a multitude of problems. First and most obviously, the lack of navigable waterways and the non-abundance of ports drastically reduced Mexico's ability to move goods and thereby generate its own capital. Second, the disassociated nature of Mexico's agricultural regions forced the construction of separate, non-integrated infrastructures for each individual sub-region, drastically raising the costs of even basic development. There were few economies of scale to be had, and advances in one region could not bolster another. Third, the highland nature of the Mexico City core required an even more expensive infrastructure, since everything had to be transported up the mountains from Veracruz. The engineering challenges and costs were so extreme and Mexico's ability to finance them so strained that the 410-kilometer railway linking Mexico City and Veracruz was not completed until 1873. (By that point, the United States had two intercontinental lines and roughly 60,000 kilometers of railways.)

The higher cost of development in Mexico resulted in a very different economic and social structure compared to the United States. Instead of small landholdings, Mexican agriculture was dominated by a small number of rich Spaniards (or their descendants) who could afford the high capital costs of creating plantations. So whereas American settlers were traditionally yeoman farmers who owned their own land, Mexican settlers were largely indentured laborers or de facto serfs in the employ of local oligarchs. The Mexican landowners had, in essence, created their own company towns and saw little benefit in pooling their efforts to industrialize. Doing so would have undermined their control of their economic and political fiefdoms. This social structure has survived to the modern day, with the bulk of Mexican political and economic power held by the same 300 families that dominated Mexico's early years, each with its local geographic power center.

For the United States, the attraction of owning one's own destiny made it the destination of choice for most European migrants. At the time that Mexico achieved independence it had 6.2 million people versus the U.S. population of 9.6 million. In just two generations -- by 1870 -- the American population had ballooned to 38.6 million while Mexico's was only 8.8 million. This U.S. population boom, combined with the United States' ability to industrialize organically, not only allowed it to develop economically but also enabled it to provide the goods for its own development.

The American effort against Mexico took place in two theaters. The first was Texas, and the primary means was settlement as enabled by the Austin family. Most Texas scholars begin the story of Texas with Stephen F. Austin, considered to be the dominant personality in Texas' formation. Stratfor starts earlier with Stephen's father, Moses Austin. In December 1796, Moses relocated from Virginia to then-Spanish Missouri -- a region that would, within a decade, become part of the Louisiana Purchase -- and began investing in mining operations. He swore fealty to the Spanish crown but obtained permission to assist with settling the region -- something he did with American, not Spanish, citizens. Once Missouri became American territory, Moses shifted his attention south to the new border and used his contacts in the Spanish government to replicate his Missouri activities in Spanish Tejas.

After Moses' death in 1821, his son took over the family business of establishing American demographic and economic interests on the Mexican side of the border. Whether the Austins were American agents or

simply profiteers is irrelevant; the end result was an early skewing of Tejas in the direction of the United States. Stephen's efforts commenced the same year as his father's death, which was the same year that Mexico's long war of independence against Spain ended. At that time, Spanish/Mexican Tejas was nearly devoid of settlers -- Anglo or Hispanic -- so the original 300 families that Stephen F. Austin helped settle in Tejas immediately dominated the territory's demography and economy. And from that point on the United States not so quietly encouraged immigration into Mexican Tejas.

Once Tejas' population identified more with the United States than it did with Mexico proper, the hard work was already done. The remaining question was how to formalize American control, no small matter. When hostilities broke out between Mexico City and these so-called "Texians," U.S. financial interests -- most notably the U.S. regional reserve banks -- bankrolled the Texas Revolution of 1835-1836.

It was in this war that one of the most important battles of the modern age was fought. After capturing the Alamo, Mexican dictator Gen. Antonio Lopez de Santa Anna marched north and then east with the intention of smashing the Texian forces in a series of engagements. With the Texians outnumbered by a factor of more than five to one, there was every indication that the Mexican forces would prevail over the Texian rebels. But with no small amount of luck the Texians managed not only to defeat the Mexican forces at the Battle of San Jacinto but also capture Santa Anna himself and force a treaty of secession upon the Mexican government. An independent Texas was born and the Texians became Texans.

However, had the battle gone the other way the Texian forces would not have simply been routed but crushed. It was obvious to the Mexicans that the Texians had been fighting with weapons made in the United States, purchased from the United States with money lent by the United States. Since there would have been no military force between the Mexican army and New Orleans, it would not have required a particularly ingenious plan for Mexican forces to capture New Orleans. It could well have been Mexico -- not the United States -- that controlled access to the North American core.

But Mexican supremacy over North America was not to be, and the United States continued consolidating. The next order of business was ensuring that Texas neither fell back under Mexican control nor was able to persist as an independent entity.

Texas was practically a still-born republic. The western half of Texas suffers from rocky soil and aridity, and its rivers are for the most part unnavigable. Like Mexico, its successful development would require a massive application of capital, and it attained its independence only by accruing a great deal of debt. That debt was owed primarily to the United States, which chose not to write off any upon conclusion of the war. Add in that independent Texas had but 40,000 people (compared to the U.S. population at the time of 14.7 million) and the future of the new country was -- at best -- bleak.

Texas immediately applied for statehood, but domestic (both Texan and American) political squabbles and a refusal of Washington to accept Texas' debt as an American federal responsibility prevented immediate annexation. Within a few short years, Texas' deteriorating financial position combined with a revenge-minded Mexico hard by its still-disputed border forced Texas to accede to the United States on Washington's terms in 1845. From that point the United States poured sufficient resources into its newest territory (ultimately exchanging approximately one-third of Texas' territory for the entirety of the former country's debt burden in 1850, giving Texas its contemporary shape) and set about enforcing the new U.S.-Mexico border.

Which brings us to the second part of the American strategy against Mexico. While the United States was busy supporting Texian/Texan autonomy, it was also undermining Spanish/Mexican control of the

lands of what would become the American Southwest farther to the west. The key pillar of this strategy was another of the famous American trails: the Santa Fe.

Contrary to conventional wisdom, the Santa Fe Trail was formed not only before the New Mexico Territory became American, or even before Texas became an U.S. state, but before the territory become formally Mexican -- the United States founded the trail when Santa Fe was still held by Spanish authority. The trail's purpose was twofold: first, to fill the region on the other side of the border with a sufficient number of Americans so that the region would identify with the United States rather than with Spain or Mexico and, second, to establish an economic dependency between the northern Mexican territories and the United States.

The United States' more favorable transport options and labor demography granted it the capital and skills it needed to industrialize at a time when Mexico was still battling Spain for its independence. The Santa Fe Trail started filling the region not only with American settlers but also with American industrial goods that Mexicans could not get elsewhere in the hemisphere.

Even if the race to dominate the lands of New Mexico and Arizona had been a fair one, the barrens of the Chihuahuan, Sonoran and Mojave deserts greatly hindered Mexico's ability to settle the region with its own citizens. Mexico quickly fell behind economically and demographically in the contest for its own northern territories. (Incidentally, the United States attempted a similar settlement policy in western Canada, but it was halted by the War of 1812.)

The two efforts -- carving out Texas and demographically and economically dominating the Southwest -- came to a head in the 1846-1848 Mexican-American War. In that war the Americans launched a series of diversionary attacks across the border region, drawing the bulk of Mexican forces into long, arduous marches across the Mexican deserts. Once Mexican forces were fully engaged far to the north of Mexico's core territories -- and on the wrong side of the deserts -- American forces made an amphibious landing and quickly captured Mexico's only port at Veracruz before marching on and capturing Mexico City, the country's capital. In the postwar settlement, the United States gained control of all the lands of northern Mexico that could sustain sizable populations and set the border with Mexico through the Chihuahuan Desert, as good of an international border as one can find in North America. This firmly eliminated Mexico as a military threat.

3. Control the Ocean Approaches to North America

With the United States having not simply secured its land borders but having ensured that its North American neighbors were geographically unable to challenge it, Washington's attention shifted to curtailing the next potential threat: an attack from the sea. Having been settled by the British and being economically integrated into their empire for more than a century, the Americans understood very well that sea power could be used to reach them from Europe or elsewhere, outmaneuver their land forces and attack at the whim of whoever controlled the ships.

But the Americans also understood that useful sea power had requirements. The Atlantic crossing was a long one that exhausted its crews and passengers. Troops could not simply sail straight across and be dropped off ready to fight. They required recuperation on land before being committed to a war. Such ships and their crews also required local resupply. Loading up with everything needed for both the trip across the Atlantic and a military campaign would leave no room on the ships for troops. As naval technology advanced, the ships themselves also required coal, which necessitated a constellation of coaling stations near any theaters of operation. Hence, a naval assault required forward bases that would experience traffic just as heavy as the spear tip of any invasion effort.

Ultimately, it was a Russian decision that spurred the Americans to action. In 1821 the Russians formalized their claim to the northwest shore of North America, complete with a declaration barring any ship from approaching within 100 miles of their coastline. The Russian claim extended as far south as the 51st parallel (the northern extreme of Vancouver Island). A particularly bold Russian effort even saw the founding of Fort Ross, less than 160 kilometers north of San Francisco Bay, in order to secure a (relatively) local supply of foodstuffs for Russia's American colonial effort.

In response to both the broader geopolitical need as well as the specific Russian challenge, the United States issued the Monroe Doctrine in 1823. It asserted that European powers would not be allowed to form new colonies in the Western Hemisphere and that, should a European power lose its grip on an existing New World colony, American power would be used to prevent their re-entrance. It was a policy of bluff, but it did lay the groundwork in both American and European minds that the Western Hemisphere was not European territory. With every year that the Americans' bluff was not called, the United States' position gained a little more credibility.

All the while the United States used diplomacy and its growing economic heft to expand. In 1867 the United States purchased the Alaska Territory from Russia, removing Moscow's weak influence from the hemisphere and securing the United States from any northwestern coastal approach from Asia. In 1898, after a generation of political manipulations that included indirectly sponsoring a coup, Washington signed a treaty of annexation with the Kingdom of Hawaii. This secured not only the most important supply depot in the entire Pacific but also the last patch of land on any sea invasion route from Asia to the U.S. West Coast.

The Atlantic proved far more problematic. There are not many patches of land in the Pacific, and most of them are in the extreme western reaches of the ocean, so securing a buffer there was relatively easy. On the Atlantic side, many European empires were firmly entrenched very close to American shores. The British held bases in maritime Canada and the Bahamas. Several European powers held Caribbean colonies, all of which engaged in massive trade with the Confederacy during the U.S. Civil War. The Spanish, while completely ejected from the mainland by the end of the 1820s, still held Cuba, Puerto Rico and the eastern half of Hispaniola (the modern-day Dominican Republic).

All were problematic to the growing United States, but it was Cuba that was the most vexing issue. Just as the city of New Orleans is critical because it is the lynchpin of the entire Mississippi watershed, Cuba, too, is critical because it oversees New Orleans' access to the wider world from its perch on the Yucatan Channel and Florida Straits. No native Cuban power is strong enough to threaten the United States directly, but like Canada, Cuba could serve as a launching point for an extra-hemispheric power. At Spain's height of power in the New World it controlled Florida, the Yucatan and Cuba -- precisely the pieces of territory necessary to neutralize New Orleans. By the end of the 19th century, those holdings had been whittled down to Cuba alone, and by that time the once-hegemonic Spain had been crushed in a series of European wars, reducing it to a second-rate regional power largely limited to southwestern Europe. It did not take long for Washington to address the Cuba question.

In 1898, the United States launched its first-ever overseas expeditionary war, complete with amphibious assaults, long supply lines and naval support for which American warfighting would in time become famous. In a war that was as globe-spanning as it was brief, the United States captured all of Spain's overseas island territories -- including Cuba. Many European powers retained bases in the Western Hemisphere that could threaten the U.S. mainland, but with Cuba firmly in American hands, they could not easily assault New Orleans, the only spot that could truly threaten America's position. Cuba remained a de facto American territory until the Cuban Revolution of 1959. At that point, Cuba again became a launching point for an extra-hemispheric power, this time the Soviet Union. That the United States risked nuclear war over Cuba is a testament to how seriously Washington views Cuba. In the

post-Cold War era Cuba lacks a powerful external sponsor and so, like Canada, is not viewed as a security risk.

After the Spanish-American war, the Americans opportunistically acquired territories when circumstances allowed. By far the most relevant of these annexations were the results of the Lend-Lease program in the lead-up to World War II. The United Kingdom and its empire had long been seen as the greatest threat to American security. In addition to two formal American-British wars, the United States had fought dozens of skirmishes with its former colonial master over the years. It was British sea power that had nearly destroyed the United States in its early years, and it remained British sea power that could both constrain American economic growth and ultimately challenge the U.S. position in North America.

The opening years of World War II ended this potential threat. Beset by a European continent fully under the control of Nazi Germany, London had been forced to concentrate all of its naval assets on maintaining a Continental blockade. German submarine warfare threatened both the strength of that blockade and the ability of London to maintain its own maritime supply lines. Simply put, the British needed more ships. The Americans were willing to provide them -- 50 mothballed destroyers to be exact -- for a price. That price was almost all British naval bases in the Western Hemisphere. The only possessions that boasted good natural ports that the British retained after the deal were in Nova Scotia and the Bahamas.

The remaining naval approaches in the aftermath of Lend-Lease were the Azores (a Portuguese possession) and Iceland. The first American operations upon entering World War II were the occupations of both territories. In the post-war settlement, not only was Iceland formally included in NATO but its defense responsibilities were entirely subordinated to the U.S. Defense Department.

4. Control the World's Oceans

The two world wars of the early 20th century constituted a watershed in human history for a number of reasons. For the United States the wars' effects can be summed up with this simple statement: They cleared away the competition.

Global history from 1500 to 1945 is a lengthy treatise of increasing contact and conflict among a series of great regional powers. Some of these powers achieved supra-regional empires, with the Spanish, French and English being the most obvious. Several regional powers -- Austria, Germany, Ottoman Turkey and Japan -- also succeeded in extending their writ over huge tracts of territory during parts of this period. And several secondary powers -- the Netherlands, Poland, China and Portugal -- had periods of relative strength. Yet the two world wars massively devastated all of these powers. No battles were fought in the mainland United States. Not a single American factory was ever bombed. Alone among the world's powers in 1945, the United States was not only functional but thriving.

The United States immediately set to work consolidating its newfound power, creating a global architecture to entrench its position. The first stage of this -- naval domination -- was achieved quickly and easily. The U.S. Navy at the beginning of World War II was already a respectable institution, but after three years fighting across two oceans it had achieved both global reach and massive competency. But that is only part of the story. Equally important was the fact that, as of August 1945, with the notable exception of the British Royal Navy, every other navy in the world had been destroyed. As impressive as the United States' absolute gains in naval power had been, its relative gains were grander still. There simply was no competition. Always a maritime merchant power, the United States could now marry its economic advantages to absolute dominance of the seas and all global trade routes. And it really didn't need to build a single additional ship to do so (although it did anyway).

Over the next few years the United States' undisputed naval supremacy allowed the Americans to impose a series of changes on the international system.

- The formation of NATO in 1949 placed all of the world's surviving naval assets under American strategic direction.
- The inclusion of the United Kingdom, Italy, Iceland and Norway in NATO granted the United States the basing rights it needed to utterly dominate the North Atlantic and the Mediterranean -- the two bodies of water that would be required for any theoretical European resurgence. The one meaningful European attempt to challenge the new reality -- the Anglo-French Sinai campaign of 1956 -- cemented the downfall of the European navies. Both London and Paris discovered that they now lacked the power to hold naval policies independent of Washington.
- The seizure of Japan's Pacific empire granted the Americans basing access in the Pacific, sufficient to allow complete American naval dominance of the north and central portions of that ocean.
- A formal alliance with Australia and New Zealand extended American naval hegemony to the southern Pacific in 1951.
- A 1952 security treaty placed a rehabilitated Japan -- and its navy -- firmly under the American security umbrella.

Shorn of both independent economic vitality at home and strong independent naval presences beyond their home waters, all of the European empires quickly collapsed. Within a few decades of World War II's end, nearly every piece of the once globe-spanning European empires had achieved independence.

There is another secret to American success -- both in controlling the oceans and taking advantage of European failures -- that lies in an often-misunderstood economic structure called Bretton Woods. Even before World War II ended, the United States had leveraged its position as the largest economy and military to convince all of the Western allies -- most of whose governments were in exile at the time -- to sign onto the Bretton Woods accords. The states committed to the formation of the International Monetary Fund and World Bank to assist with the expected post-War reconstruction. Considering the general destitution of Western Europe at the time, this, in essence, was a U.S. commitment to finance if not outright fund that reconstruction. Because of that, the U.S. dollar was the obvious and only choice to serve as the global currency.

But Bretton Woods was about more than currency regimes and international institutions; its deeper purpose lay in two other features that are often overlooked. The United States would open its markets to participating states' exports while not requiring reciprocal access for its own. In exchange, participating states would grant the United States deference in the crafting of security policy. NATO quickly emerged as the organization through which this policy was pursued.

From the point of view of the non-American founders of Bretton Woods, this was an excellent deal. Self-funded reconstruction was out of the question. The bombing campaigns required to defeat the Nazis leveled most of Western Europe's infrastructure and industrial capacity. Even in those few parts of the United Kingdom that emerged unscathed, the state labored under a debt that would require decades of economic growth to recover from.

It was not so much that access to the American market would help regenerate Europe's fortunes as it was that the American market was the only market at war's end. And since all exports from Bretton-Woods states (which the exception of some Canadian exports) to the United States had to travel by water, and since the U.S. Navy was the only institution that could guarantee the safety of those exports, adopting security policies unfriendly to Washington was simply seen as a nonstarter. By the mid-1950s, Bretton Woods had been expanded to the defeated Axis powers as well as South Korea and Taiwan. It soon

became the basis of the global trading network, first being incorporated into the General Agreement on Tariffs and Trade and in time being transformed into the World Trade Organization. With a single policy, the Americans not only had fused their economic and military policies into a single robust system but also had firmly established that American dominance of the seas and the global economic system would be in the interest of all major economies with the exception of the Soviet Union.

5. Prevent any Potential Challengers from Rising

From a functional point of view the United States controls North America because it holds nearly all of the pieces that are worth holding. With the possible exception of Cuba or some select sections of southern Canada, the rest of the landmass is more trouble than it is worth. Additionally, the security relationship it has developed with Canada and Mexico means that neither poses an existential threat to American dominance. Any threat to the United States would have to come from beyond North America. And the only type of country that could possibly dislodge the United States would be another state whose power is also continental in scope.

As of 2011, there are no such states in the international system. Neither are there any such powers whose rise is imminent. Most of the world is simply too geographically hostile to integration to pose significant threats. The presence of jungles, deserts and mountains and the lack of navigable rivers in Africa does more than make Africa capital poor; it also absolutely prevents unification, thus eliminating Africa as a potential seedbed for a mega-state. As for Australia, most of it is not habitable. It is essentially eight loosely connected cities spread around the edges of a largely arid landmass. Any claims to Australia being a "continental" power would be literal, not functional.

In fact, there are only two portions of the planet (outside of North America) that could possibly generate a rival to the United States. One is South America. South America is mostly hollow, with the people living on the coasts and the center dominated by rainforests and mountains. However, the Southern Cone region has the world's only other naturally interconnected and navigable waterway system overlaying arable land, the building blocks of a major power. But that territory -- the Rio de la Plata region -- is considerably smaller than the North American core and it is also split among four sovereign states. And the largest of those four -- Brazil -- has a fundamentally different culture and language than the others, impeding unification.

State-to-state competition is hardwired into the Rio de la Plata region, making a challenge to the United States impossible until there is political consolidation, and that will require not simply Brazil's ascendency but also its de facto absorption of Paraguay, Uruguay and Argentina into a single Brazilian superstate. Considering how much more powerful Brazil is than the other three combined, that consolidation -- and the challenge likely to arise from it -- may well be inevitable but it is certainly not imminent. Countries the size of Argentina do not simply disappear easily or quickly. So while a South American challenge may be rising, it is extremely unlikely to occur within a generation.

The other part of the world that could produce a rival to the United States is Eurasia. Eurasia is a region of extremely varied geography, and it is the most likely birthplace of an American competitor that would be continental in scope. Geography, however, makes it extremely difficult for such a power (or a coalition of such powers) to arise. In fact, the southern sub-regions of Eurasia cannot contribute to such formation. The Ganges River Basin is the most agriculturally productive in the world, but the Ganges is not navigable. The combination of fertile lands and non-navigable waterways makes the region crushingly overpopulated and poor.

Additionally, the mountains and jungles of South and Southeast Asia are quite literally the world's most difficult terrain. The countries in these sub-regions cannot expand beyond their mountain boundaries and

have yet to prove that they can unify the resources within their regions (with the India-Pakistan rivalry being the most obvious example of sub-regional non-unity). The lands of the Middle East are mostly desert with the bulk of the population living either near the coasts -- and thus very vulnerable to American naval power -- or in river valleys that are neither productive enough to support an agenda of power projection nor accessible enough to encourage integration into a larger whole. Only the Fertile Crescent has reliable agriculture, but that agriculture is only possible with capital- and labor-intensive irrigation. The region's rivers are not navigable, and its lands are split among three different states adhering to three different religions (and that excludes fractious Lebanon).

That leaves only the lands of northern Eurasia -- Europe, the former Soviet Union and China -- as candidates for an anti-American coalition of substance. Northern Eurasia holds even more arable land than North America, but it is split among three regions: the North European Plain, the Eurasian steppe and the Yellow River basin. Although the developed lands of the North European Plain and the Eurasian steppe are adjacent, they have no navigable waterways connecting them, and even within the North European Plain none of its rivers naturally interconnects.

There is, however, the potential for unity. The Europeans and Russians have long engaged in canal-building to achieve greater economic linkages (although Russian canals linking the Volga to the sea all freeze in the winter). And aside from the tyranny of distance, there are very few geographic barriers separating the North European Plain from the Eurasian steppe from the Yellow River region, allowing one -- theoretically -- to travel from Bordeaux to the Yellow Sea unimpeded.

And there are certainly synergies. Northern Europe's many navigable rivers make it the second-most capital-rich region in the world (after North America). The fertility of the Yellow River basin gives it a wealth of population. The difficulty of the arid and climatically unpredictable Eurasian steppes, while greatly diminishing the utility of its 106 billion hectares of farmable land, actually brings a somewhat inadvertent benefit: The region's geographic difficulties force the consolidation of Russian military, economic and political power under a single government -- to do otherwise would lead to state breakdown. Among these three northern Eurasian regions is the capital, labor and leadership required to forge a continental juggernaut. Unsurprisingly, Russian foreign policy for the better part of the past two centuries has been about dominating or allying with either China or major European powers to form precisely this sort of megapower.

And so the final imperative of the dominant power of North America is to ensure that this never happens -- to keep Eurasia divided among as many different (preferably mutually hostile) powers as possible.

The United States does this in two ways. First, the United States grants benefits to as many states as possible for not joining a system or alliance structure hostile to American power. Bretton Woods (as discussed above under the fourth imperative) is the economic side of this effort. With it the United

States has largely blunted any desire on the part of South Korea, Japan and most of the European states from siding against the United States in any meaningful way.

The military side of this policy is equally important. The United States engages in bilateral military relationships in order to protect states that would normally be swallowed up by larger powers. NATO served this purpose against the Soviets, while even within NATO the United States has much closer cooperation with states such as the United Kingdom, Norway, Denmark, the Netherlands, Poland and Romania, which feel themselves too exposed to extra-NATO foes (most notably Russia) or even intra-NATO allies (most notably Germany).

The United States has similar favored relationships with a broad host of non-European states as well, each of which feels physically threatened by local powers. These non-European states include Pakistan (concerned about India), Taiwan (China), South Korea (North Korea, China and Japan), Mongolia (China and Russia), Thailand (China, Myanmar and Vietnam), Singapore (Malaysia and Indonesia), Indonesia (China), Australia (China and Indonesia), Georgia (Russia), the United Arab Emirates and Qatar (Saudi Arabia and Iran), Saudi Arabia (Iran), Israel (the entire Muslim world), Jordan (Israel, Syria and Iraq) and Kuwait (Iran, Iraq and Saudi Arabia).

The second broad strategy for keeping Eurasia divided is direct intervention via the United States' expeditionary military. Just as the ability to transport goods via water is far cheaper and faster than land, so, too, is the ability to transport troops. Add in American military dominance of the seas and the United States has the ability to intervene anywhere on the planet. The United States' repeated interventions in Eurasia have been designed to establish or preserve a balance of power or, to put it bluntly, to prevent any process on Eurasia from resulting in a singular dominating power. The United States participated in both world wars to prevent German domination, and then bolstered and occupied Western Europe during the Cold War to prevent complete Russian dominance. Similarly, the primary rationale for involvement in Korea and Vietnam was to limit Russian power.

Even the ongoing conflicts in Afghanistan and Iraq should be viewed in this light. Al Qaeda, the Islamist militant group behind the 9/11 attacks, espoused an ideology that called for the re-creation of the caliphate, a pan-national religious-political authority that would have stretched from Morocco to the Philippines -- precisely the sort of massive entity whose creation the United States attempts to forestall. The launching of the war in Afghanistan, designed to hunt down al Qaeda's apex leadership, obviously fits this objective. As for Iraq, one must bear in mind that Saudi Arabia funded many of al Qaeda's activities, Syria provided many of its recruits and Iran regularly allowed free passage for its operatives. The United States lacked the military strength to invade all three states simultaneously, but in invading Iraq it made clear to all three what the continued price of sponsoring al Qaeda could be. All three changed their policies vis-a-vis al Qaeda as a result, and the recreation of the caliphate (never a particularly likely event) became considerably less likely than it was a decade ago.

But in engaging in such Eurasian interventions -- whether it is World War II or the Iraq War -- the United States finds itself at a significant disadvantage. Despite controlling some of the world's richest and most productive land, Americans account for a very small minority of the global population, roughly 5 percent, and at no time has more than a few percent of that population been in uniform (the record high was 8.6 percent during World War II). While an expeditionary military based on maritime transport allows the United States to intervene nearly anywhere in the world in force in a relatively short time frame, the need to move troops across the oceans means that those troops will always be at the end of a very long supply chain and operating at a stark numerical disadvantage when they arrive.

This prods the United States to work with -- or ideally, through -- its allies whenever possible, reserving American military force as a rarely used trump card. Note that in World Wars I and II the United States

was not an early participant, instead becoming involved three years into each conflict when it appeared that one of the European powers would emerge victorious over the others and unify Europe under its control. Washington could not allow any country to emerge dominant. In the Cold War the United States maintained front-line forces in Western Europe and South Korea in case of hostilities, but it did so only under the rubric of an alliance structure that placed its allies directly in harm's way, giving those allies as much -- if not more -- reason to stand against U.S. foes. In many ways it allowed the reapplication of the U.S. strategy in the world wars: allow both sides to exhaust each other, and then join the conflict and collect the winnings with (by comparison) minimal casualties.

The strategy of using its allies as bulwarks has granted the United States such success that post-Cold War Washington has been able to reduce the possibility of regional hegemons emerging. Examples include the backing of the Kosovar Albanians and Bosniacs against Serbia in the 1990s Yugoslav wars and Operation Desert Storm in 1991. Ongoing efforts to hamstring Russia -- Ukraine's 2004-2005 Orange Revolution, for example -- should also be viewed in this light.

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The Geopolitics of the United States, Part 2:

American Identity and the Threats of Tomorrow

Editor's Note: *This installment on the United States, presented in two parts, is the 16th in a series of Stratfor monographs on the geopolitics of countries influential in world affairs.*

We have already discussed in the first part of this analysis how the American geography dooms whoever controls the territory to being a global power, but there are a number of other outcomes that shape what that power will be like. The first and most critical is the impact of that geography on the American mindset.

The formative period of the American experience began with the opening of the Ohio River Valley by the National Road. For the next century Americans moved from the coastal states inland, finding more and better lands linked together with more and better rivers. Rains were reliable. Soil quality was reliable. Rivers were reliable. Success and wealth were assured. The trickle of settlers became a flood, and yet there was still more than enough well-watered, naturally connected lands for all.

And this happened in isolation. With the notable exception of the War of 1812, the United States did not face any significant foreign incursions in the 19th century. It contained the threat from both Canada and Mexico with a minimum of disruption to American life and in so doing ended the risk of local military conflicts with other countries. North America was viewed as a remarkably safe place.

Even the American Civil War did not disrupt this belief. The massive industrial and demographic imbalance between North and South meant that the war's outcome was never in doubt. The North's population was four times the size of the population of free Southerners while its industrial base was 10 times that of the South. As soon as the North's military strategy started to leverage those advantages the South was crushed. Additionally, most of the settlers of the Midwest and West Coast were from the North (Southern settlers moved into what would become Texas and New Mexico), so the dominant American culture was only strengthened by the limits placed on the South during Reconstruction.

As a result, life for this dominant "Northern" culture got measurably better every single year for more than five generations. Americans became convinced that such a state of affairs -- that things can, will and should improve every day -- was normal. Americans came to believe that their wealth and security is a result of a Manifest Destiny that reflects something different about Americans compared to the rest of humanity. The sense is that Americans are somehow better -- destined for greatness -- rather than simply being very lucky to live where they do. It is an unbalanced and inaccurate belief, but it is at the root of American mania and arrogance.

Many Americans do not understand that the Russian wheat belt is the steppe, which has hotter summers, colder winters and less rain than even the relatively arid Great Plains. There is not a common understanding that the histories of China and Europe are replete with genocidal conflicts because different nationalities were located too close together, or that the African plateaus hinder economic development. Instead there is a general understanding that the United States has been successful for more than two centuries and that the rest of the world has been less so. Americans do not treasure the "good times" because they see growth and security as the normal state of affairs, and Americans are more than a little puzzled as to why the rest of the world always seems to be struggling. And so what Americans see as normal day-to-day activities the rest of the world sees as American hubris.

But not everything goes right all the time. What happens when something goes wrong, when the rest of the world reaches out and touches the Americans on something other than America's terms? When one is convinced that things can, will and should continually improve, the shock of negative developments or foreign interaction is palpable. Mania becomes depression and arrogance turns into panic.

An excellent example is the Japanese attack on American forces at Pearl Harbor. Seventy years on, Americans still think of the event as a massive betrayal underlining the barbaric nature of the Japanese that justified the launching of a total war and the incineration of major cities. This despite the fact that the Americans had systemically shut off East Asia from Japanese traders, complete with a de facto energy embargo, and that the American mainland -- much less its core -- was never threatened.

Such panic and overreaction is a wellspring of modern American power. The United States is a large, physically secure, economically diverse and vibrant entity. When it acts, it can alter developments on a global scale fairly easily. But when it panics, it throws all of its ample strength at the problem at hand, and in doing so reshapes the world.

Other examples of American overreaction include the response to the Soviet launch of Sputnik and the Vietnam War. In the former, the Americans were far ahead of the Soviets in terms of chemistry, electronics and metallurgy -- the core skills needed in the space race. But because the Soviets managed to hurl something into space first the result was a nationwide American panic resulting in the re-fabrication of the country's educational system and industrial plant. The American defeat in the Vietnam conflict similarly triggered a complete military overhaul, including the introduction of information technology into weapon systems, despite the war's never having touched American shores. This paranoia was the true source of satellite communications and precision-guided weapons.

This mindset -- and the panic that comes from it -- is not limited to military events. In the 1980s the Americans became convinced that the Japanese would soon overtake them as the pre-eminent global power even though there were twice as many Americans sitting on more than 100 times as much arable land. Wall Street launched its own restructuring program, which refashioned the American business world, laying the foundation of the growth surge of the 1990s.

In World War II, this panic and overreaction landed the United States with control of Western Europe and the world's oceans, while the response to Sputnik laid the groundwork for a military and economic

expansion that won the Cold War. From the Vietnam effort came technology that allows U.S. military aircraft to bomb a target half a world away. Japanophobia made the American economy radically more efficient, so that when the Cold War ended and the United States took Japan to task for its trade policies, the Americans enjoyed the 1990s boom while direct competition with leaner and meaner American firms triggered Japan's post-Cold War economic collapse.

Land, Labor and Capital

All economic activity is fueled -- and limited -- by the availability of three things: land, labor and capital. All three factors indicate that the United States has decades of growth ahead of it, especially when compared to other powers.

Land

The United States is the least densely populated of the major global economies in terms of population per unit of usable land (Russia, Canada and Australia may be less densely populated, but most of Siberia, the Canadian Shield and the Outback is useless). The cost of land -- one of the three ingredients of any economic undertaking -- is relatively low for Americans. Even ignoring lands that are either too cold or too mountainous to develop, the average population density of the United States is only 76 people per square kilometer, one-third less than Mexico and about one-quarter that of Germany or China.

And it is not as if the space available is clustered in one part of the country, as is the case with Brazil's southern interior region. Of the major American urban centers, only New Orleans and San Diego cannot expand in any direction. In fact, more than half of the 60 largest American metropolitan centers by population face expansion constraints in no direction: Dallas-Fort Worth, Philadelphia, Washington, Atlanta, Phoenix, Minneapolis-St. Paul, St. Louis, Denver, Sacramento, Cincinnati, Cleveland, Orlando, Portland, San Antonio, Kansas City, Las Vegas, Columbus, Charlotte, Indianapolis, Austin, Providence, Nashville, Jacksonville, Memphis, Richmond, Hartford, Oklahoma City, Birmingham, Raleigh, Tulsa, Fresno and Omaha-Council Bluffs. Most of the remaining cities in the top 60 -- such as Chicago or Baltimore -- face only growth restrictions in the direction of the coast. The point is that the United States has considerable room to grow and American land values reflect that.

Labor

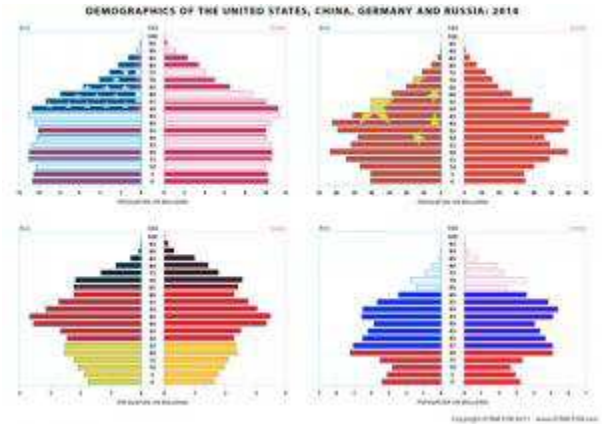
Demographically, the United States is the youngest and fastest growing of the major industrialized economies. At 37.1 years of age, the average American is younger than his German (43.1) or Russian (38.6) counterparts. While he is still older than the average Chinese (34.3), the margin is narrowing rapidly. The Chinese are aging faster than the population of any country in the world save Japan (the average Japanese is now 44.3 years old), and by 2020 the average Chinese will be only 18 months

younger than the average American. The result within a generation will be massive qualitative and quantitative labor shortages everywhere in the developed world (and in some parts of the developing world) except the United States.

The relative youth of Americans has three causes, two of which have their roots in the United States' history as a settler state and one of which is based solely on the United States' proximity to Mexico. First, since the founding populations of the United States are from somewhere else, they tended to arrive younger than the average age of populations of the rest of the developed world. This gave the United States -- and the other settler states -- a demographic advantage from the very beginning.

Second, settler societies have relatively malleable identities, which are considerably more open to redefinition and extension to new groups than their Old World counterparts. In most nation-states, the dominant ethnicity must choose to accept someone as one of the group, with birth in the state itself -- and even multi-generational citizenship -- not necessarily serving as sufficient basis for inclusion. France is an excellent case in point, where North Africans who have been living in the Paris region for generations still are not considered fully "French." Settler societies approach the problem from the opposite direction. Identity is chosen rather than granted, so someone who relocates to a settler state and declares himself a national is for the most part allowed to do so. This hardly means that racism does not exist, but for the most part there is a national acceptance of the multicultural nature of the population, if not the polity. Consequently, settler states are able to integrate far larger immigrant populations more quickly than more established nationalities.

Yet Canada and Australia -- two other settler states -- do not boast as young a population as the United States. The reason lies entirely within the American geography. Australia shares no land borders with immigrant sources. Canada's sole land border is with the United States, a destination for immigrants rather than a large-scale source.



But the United States has Mexico, and through it Central America. Any immigrants who arrive in Australia must arrive by aircraft or boat, a process that requires more capital to undertake in the first place and allows for more screening at the point of destination -- making such immigrants older and fewer. In contrast, even with recent upgrades, the Mexican border is very porous. While estimates vary greatly, roughly half a million immigrants legally cross the United States' southern border every year, and up to twice as many cross illegally. There are substantial benefits that make such immigration a net gain for the United States. The continual influx of labor keeps inflation tame at a time when labor shortages are increasingly the norm in the developed world (and are even beginning to be

felt in China). The cost of American labor per unit of output has increased by a factor of 4.5 since 1970; in the United Kingdom the factor is 12.8.

The influx of younger workers also helps stabilize the American tax base. Legal immigrants collectively generate half a trillion dollars in income and pay taxes in proportion to it. Yet they will not draw upon the biggest line item in the U.S. federal budget -- Social Security -- unless they become citizens. Even then they will pay into the system for an average of 41 years, considering that the average Mexican immigrant is only 21 years old (according to the University of California) when he or she arrives. By comparison, the average legal immigrant -- Mexican and otherwise -- is 37 years old.

Even illegal immigrants are a considerable net gain to the system, despite the deleterious effects regarding crime and social-services costs. The impact on labor costs is similar to that of legal immigrants, but there is more. While the Mexican educational system obviously cannot compare to the American system, most Mexican immigrants do have at least some schooling. Educating a generation of workers is among the more expensive tasks in which a government can engage. Mexican immigrants have been at least partially pre-educated -- a cost borne by the Mexican government -- and yet the United States is the economy that reaps the benefits in terms of their labor output.

Taken together, all of these demographic and geographic factors give the United States not only the healthiest and most sustainable labor market in the developed world but also the ability to attract and assimilate even more workers.

Capital

As discussed previously, the United States is the most capital-rich location in the world, courtesy of its large concentration of useful waterways. However, it also boasts one of the lowest demands for capital. Its waterways lessen the need for artificial infrastructure, and North America's benign security environment frees it of the need to maintain large standing militaries on its frontiers. A high supply of capital plus a low demand for capital has allowed the government to take a relatively hands-off approach to economic planning, or, in the parlance of economists, the United States has a laissez-faire economic system. The United States is the only one of the world's major economies to have such a "natural" system regarding the use of capital -- all others must take a far more hands-on approach.

- Germany sits on the middle of the North European Plain and has no meaningful barriers separating it from the major powers to its east and west. It also has a split coastline that exposes it to different naval powers. So Germany developed a corporatist economic model that directly injects government planning into the boardroom, particularly where infrastructure is concerned.
- France has three coasts to defend in addition to its exposure to Germany. So France has a mixed economic system in which the state has primacy over private enterprise, ensuring that the central government has sufficient resources to deal with the multitude of threats. An additional outcome of what has traditionally been a threat-heavy environment is that France has been forced to develop a diversely talented intelligence apparatus. As such, France's intelligence network regularly steals technology -- even from allies -- to bolster its state-affiliated companies.
- China's heartland on the Yellow River is exposed to both the Eurasian steppe and the rugged subtropical zones of southern China, making the economic unification of the region dubious and exposing it to any power that can exercise naval domination of its shores. China captures all of its citizens' savings to grant all its firms access to subsidized capital, in essence bribing its southern regions to be part of China.

In contrast, the concept of national planning is somewhat alien to Americans. Instead, financial resources are allowed largely to flow wherever the market decides they should go. In the mid-1800s, while the French were redirecting massive resources to internal defenses and Prussia was organizing the various German regional private-rail systems into a transnational whole, a leading economic debate in the United States was whether the federal government should build spurs off the National Road, a small project in comparison. The result of such a hands-off attitude was not simply low taxes but no standard income taxes until the 16th Amendment was adopted in 1913.

Such an attitude had a number of effects on the developing American economic system. First, because the resources of the federal government were traditionally so low, government did not engage in much corporate activity. The United States never developed the "state champions" that the Europeans and Asians developed as a matter of course with state assistance. So instead of a singular national champion in each industry, the Americans have several competing firms. As a result, American companies have tended to be much more efficient and productive than their foreign counterparts, which has facilitated not only more capital generation but also higher employment over the long term.

Consequently, Americans tend to be less comfortable with bailouts (if there are no state companies, then the state has less of an interest in, and means of, keeping troubled companies afloat). This makes surviving firms that much more efficient in the long run. It hardly means that bailouts do not happen, but they happen rarely, typically only at the nadir of economic cycles, and it is considered quite normal for businesses -- even entire sectors -- to close their doors.

Another effect of the hands-off attitude is that the United States has more of a business culture of smaller companies than larger ones. Because of the lack of state champions, there are few employers who are critical specifically because of their size. A large number of small firms tends to result in a more stable economic system because a few firms here and there can go out of business without overly damaging the economy as a whole. The best example of turnover in the American system is the Dow Jones Industrial Average (DJIA). The DJIA has always been composed of the largest blue-chip corporations that, collectively, have been most representative of the American economic structure. The DJIA's specific makeup changes as the U.S. economy changes. As of 2011, only one of its component corporations has been in the DJIA for the entirety of its 115-year history. In contrast, German majors

such as Deutsche Bank, Siemens and Bayer have been at the pinnacle of the German corporate world since the mid-19th century, despite the massive devastation of Europe's major wars.

Because the American river systems keep the costs of transport low and the supply of capital high, there are few barriers to entry for small firms, which was particularly the case during the United States' formative period. Anyone from the East Coast who could afford a plow and some animals could head west and -- via the maritime network -- export their goods to the wider world. In more modern times, the disruption caused by the regular turnover of major firms produces many workers-turned-entrepreneurs who start their own businesses. American workers are about one-third as likely to work for a top 20 U.S. firm as a French worker is to work for a top 20 French firm.

The largest American private employer -- Wal-Mart -- is the exception to this rule. It employs 1.36 percent of U.S. workers, a proportion similar to the largest firms of other advanced industrial states. But the second largest private employer -- UPS -- employs only 0.268 percent of the American work force. To reach an equivalent proportion in France, one must go down the list to the country's 32nd largest firm.

The U.S. laissez-faire economic model also results in a boom-and-bust economic cycle to a much greater degree than a planned system. When nothing but the market makes economic apportionment decisions, at the height of the cycle resources are often applied to projects that should have been avoided. (This may sound bad, but in a planned system such misapplication can happen at any point in the cycle.) During recessions, capital rigor is applied anew and the surviving firms become healthier while poorly run firms crash, resulting in spurts of unemployment. Such cyclical downturns are built into the American system. Consequently, Americans are more tolerant of economic change than many of their peers elsewhere, lowering the government's need to intervene in market activity and encouraging the American workforce to retool and retrain itself for different pursuits. The result is high levels of social stability -- even in bad times -- and an increasingly more capable workforce.

Despite the boom/bust problems, the greatest advantage of a liberal capital model is that the market is far more efficient at allocating resources over the long term than any government. The result is a much greater -- and more stable -- rate of growth over time than any other economic model. While many of the East Asian economies have indeed outgrown the United States in relative terms, there are two factors that must be kept in mind. First, growth in East Asia is fast, but it is also a recent development. Over the course of its history, the United States has maintained a far faster growth rate than any country in East Asia. Second, the Asian growth period coincides with the Asian states gaining access to the U.S. market (largely via Bretton Woods) after U.S. security policy had removed the local hegemon -- Japan -- from military competition. In short, the growth of East Asian states -- China included -- has been dependent upon a economic and security framework that is not only far beyond their control, but wholly dependent upon how the Americans currently craft their strategic policy. Should the Americans change their minds, that framework -- and the economic growth that comes from it -- could well dissolve overnight.

The laissez-faire economic system is not the only way in which the American geography shapes the American economy. The United States also has a much more disassociated population structure than most of the rest of the world, developed and developing states both. As wealth expanded along American rivers, smallholders banded together to form small towns. The capital they jointly generated sowed the seeds of industrialization, typically on a local level. Population rapidly spread beyond the major port cities of the East Coast and developed multiple economic and political power centers throughout the country whose development was often funded with local capital. As large and powerful as New York, Baltimore and Boston were (and still are), they are balanced by Chicago, Pittsburgh, St. Louis and Minneapolis.

Today, the United States has no fewer than 20 metropolitan areas with an excess of 2.5 million people, and only four of them -- New York, Philadelphia, Boston and Washington-Baltimore -- are in the East Coast core. In contrast, most major countries have a single, primary political and economic hub such as London, Tokyo, Moscow or Paris. In the United States, economic and political diversification has occurred within a greater whole, creating a system that has grown organically into a consumer market larger than the consumer markets of the rest of the world combined.

And despite its European origins, the United States is a creature of Asia as well. The United States is the only major country in the world that boasts not only significant port infrastructure on both the Atlantic and the Pacific but also uninterrupted infrastructure linking the two. This allows the United States to benefit from growth in and trade with both Pacific and Atlantic regions and partially insulates the United States when one or the other suffers a regional crash. At such times, not only can the United States engage in economic activity with the other region, but the pre-existing links ensure that the United States is the first choice for capital seeking a safe haven. Ironically, the United States benefits when these regions are growing and when they are struggling.

When all these factors are put together, it is clear how geography has nudged the United States toward a laissez-faire system that rewards efficiency and a political culture that encourages entrepreneurship. It is also clear how geography has created distributed economic centers, transportation corridors and a massive internal market and provided easy access to both of the world's great trading basins. Byproducts of this are a culture that responds well to change and an economy characterized by stable, long-term growth without being dependent on external support. In short, there is a geographic basis for U.S. prosperity and power, and there is no geographic basis to expect this condition to change in the foreseeable future.

Current Context: Threats to the Imperatives

Normally, Stratfor closes its geopolitical monographs with a discussion of the major challenges the country in question faces. The United States is the only truly global power in the modern age, but there are a number of potential threats to American power (as Stratfor founder George Friedman outlined in his book "The Next 100 Years"). Indeed, over the next century, any number of regional powers -- a reunified Germany, a reawakened Turkey, a revitalized Japan, a rising Brazil, a newly confident Mexico -- may well attempt to challenge American power.

But rather than dwell on the far future, it is more instructive to focus on the challenges of today and the next few years. Stratfor now turns to challenges to the United States in the current global context, beginning with the least serious challenges and working toward the most vexing.

Afghanistan

The war in Afghanistan is not one that can be won in the conventional sense. A "victory" as Americans define it requires not only the military defeat of the opposing force but also the reshaping of the region so that it cannot threaten the United States again. This is impossible in Afghanistan because Afghanistan is more accurately perceived as a geographic region than a country. The middle of the region is a mountainous knot that extends east into the Himalayas. There are no navigable rivers and little arable land. The remaining U-shaped ring of flat land is not only arid but also split among multiple ethnic groups into eight population zones that, while somewhat discrete, have no firm geographic barriers separating them. This combination of factors predisposes the area to poverty and conflict, and that has been the region's condition for nearly all of recorded history.

The United States launched the war in late 2001 to dislodge al Qaeda and prevent the region from being used as a base and recruitment center for it and similar jihadist groups. But since geography precludes

the formation of any stable, unified or capable government in Afghanistan, these objectives can be met and maintained only so long as the United States stations tens of thousands of troops in the country.

Afghanistan indeed poses an indirect threat to the United States. Central control is so weak that non-state actors like al Qaeda will continue to use it as an operational center, and some of these groups undoubtedly hope to inflict harm upon the United States. But the United States is a long way away from Afghanistan, and such ideology does not often translate into intent and intent does not often translate into capacity. Even more important, Afghanistan's labor, material and financial resources are so low that no power based in Afghanistan could ever directly challenge much less overthrow American power.

The American withdrawal strategy, therefore, is a simple one. Afghanistan cannot be beaten into shape, so the United States must maintain the ability to monitor the region and engage in occasional manhunts to protect its interests. This requires maintaining a base or two, not reinventing Afghanistan in America's image as an advanced multiethnic democracy.

China

Most Americans perceive China as the single greatest threat to the American way of life, believing that with its large population and the size of its territory it is destined to overcome the United States first economically and then militarily. This perception is an echo of the Japanophobia of the 1980s and it has a very similar cause. Japan utterly lacked material resources. Economic growth for it meant bringing in resources from abroad, adding value to them, and exporting the resulting products to the wider world. Yet because very little of the process actually happened in Japan, the Japanese government had to find a means of making the country globally competitive.

Japan's solution was to rework the country's financial sector so that loans would be available at below-market rates for any firm willing to import raw materials, build products, export products and employ citizens. It did not matter if any of the activities were actually profitable, because the state ensured that such operations were indirectly subsidized by the financial system. More loans could always be attained. The system is not sustainable (eventually the ever-mounting tower of debt consumes all available capital), and in 1990 the Japanese economy finally collapsed under the weight of trillions of dollars of non-performing loans. The Japanese economy never recovered and in 2011 is roughly the same size as it was at the time of the crash 20 years before.

China, which faces regional and ethnic splits Japan does not, has copied the Japanese finance/export strategy as a means of both powering its development and holding a rather disparate country together. But the Chinese application of the strategy faces the same bad-debt problem that Japan's did. Because of those regional and ethnic splits, however, when China's command of this system fails as Japan's did in the 1990s, China will face a societal breakdown in addition to an economic meltdown. Making matters worse, China's largely unnavigable rivers and relatively poor natural ports mean that China lacks Japan's natural capital-generation advantages and is saddled with the economic dead weight of its vast interior, home to some 800 million impoverished people. Consequently, China largely lacks the capacity to generate its own capital and its own technology on a large scale.

None of this is a surprise to Chinese leaders. They realize that China depends on the American-dominated seas for both receiving raw materials and shipping their products to global markets and are keenly aware that the most important of those markets is the United States. As such, they are willing to compromise on most issues, so long as the United States continues to allow freedom of the seas and an open market. China may bluster -- seeing nationalism as a useful means of holding the regions of the country together -- but it is not seeking a conflict with the United States. After all, the United States

utterly controls the seas and the American market, and American security policy prevents the remilitarization of Japan. The pillars of recent Chinese success are made in America.

Iran

Iran is the world's only successful mountain country. As such it is nearly impossible to invade and impossible for a foreign occupier to hold. Iran's religious identity allows it considerable links to its Shiite co-religionists across the region, granting it significant influence in a number of sensitive locations. It also has sufficient military capacity to threaten (at least briefly) shipping in the Strait of Hormuz, through which roughly 40 percent of global maritime oil exports flow. All of this grants Iran considerable heft not just in regional but in international politics as well.

However, many of these factors work against Iran. Being a mountainous state means that a large infantry is required to keep the country's various non-Persian ethnicities under control. Such a lopsided military structure has denied Iran the skill sets necessary to develop large armored or air arms in its military. So while Iran's mountains and legions of infantry make it difficult to attack, the need for massive supplies for those infantry and their slow movement makes it extremely difficult for the Iranian military to operate beyond Iran's core territories. Any invasion of Iraq, Kuwait or Saudi Arabia while American forces are in theater would require such forces -- and their highly vulnerable supply convoys -- to march across mostly open ground. In the parlance of the U.S. military, it would be a turkey shoot.

Mountainous regions also have painfully low capital-generation capacities, since there are no rivers to stimulate trade or large arable zones to generate food surpluses or encourage the development of cities, and any patches of land that are useful are separated from each other, so few economies of scale can be generated. This means that Iran, despite its vast energy complex, is one of the world's poorer states, with a gross domestic product (GDP) per capita of only $4,500. It remains a net importer of nearly every good imaginable, most notably food and gasoline. There is a positive in this for Iran -- its paucity of economic development means that it does not participate in the Bretton Woods structure and can resist American economic pressure. But the fact remains that, with the exception of oil and the Shiite threat, Iran cannot reliably project power beyond its borders except in one place.

Unfortunately for the Americans, that place is Iraq, and it is not a location where Iran feels particularly pressured to compromise. Iran's Shiite card allows Tehran to wield substantial influence with fully 60 percent of the Iraqi population. And since the intelligence apparatus that Iran uses to police its own population is equally good at penetrating its Shiite co-religionists in Iraq, Iran has long enjoyed better information on the Iraqis than the Americans have -- even after eight years of American occupation.

It is in Iran's interest for Iraq to be kept down. Once oil is removed from the equation, Mesopotamia is the most capital-rich location in the Middle East. While its two rivers are broadly unnavigable, they do reliably hydrate the land between them, making it the region's traditional breadbasket. Historically, however, Iraq has proved time and again to be indefensible. Hostile powers dominate the mountains to the north and east, while the open land to the west allows powers in the Levant to penetrate its territory. The only solution that any power in Mesopotamia has ever developed that provided a modicum of security is to establish a national security state with as large a military as possible and then invade neighbors who may have designs upon it. More often than not, Persia has been the target of this strategy, and its most recent application resulted in the Iraq-Iran War of 1980-1988.

Simply put, Iran sees a historic opportunity to prevent Iraq from ever doing this to it again, while the United States is attempting to restore the regional balance of power so that Iraq can continue threatening Iran. It is not a dispute that leaves a great deal of room for compromise. Iran and the United States have been discussing for five years how they might reshape Iraq into a form that both can live with, likely one

with just enough military heft to resist Iran but not so much that it could threaten Iran. If the two powers cannot agree, then the Americans will have an unpalatable choice to make: either remain responsible for Iraq's security so long as Persian Gulf oil is an issue in international economic affairs or leave and risk Iran's influence no longer stopping at the Iraq-Saudi Arabia border.

At the time of this writing, the Americans are attempting to disengage from Iraq while leaving a residual force of 10,000 to 25,000 troops in-country in order to hold Iran at bay. Iran's influence in Iraq is very deep, however, and Tehran is pushing -- perhaps successfully -- to deny the Americans basing rights in an "independent" Iraq. If the Americans are forced out completely, then there will be little reason for the Iranians not to push their influence farther south into the Arabian Peninsula, at which point the Americans will have to decide whether control of so much of the world's oil production in the hands of a single hostile power can be tolerated.

Russia

Russia faces no shortage of geographic obstacles to success -- its wide-open borders invite invasion, its vast open spaces prevent it from achieving economies of scale, its lack of navigable rivers makes it poor, and its arid and cold climate reduces crop yields. Over the years, however, Russia has managed to turn many weaknesses into strengths.

It has consolidated political and economic forces to serve as tools of the central state, so that all of the nation's power may be applied to whatever tasks may be at hand. This may be woefully inefficient and trigger periods of immense instability, but it is the only method Russia has yet experimented with that has granted it any security. Russia has even turned its lack of defensible borders to its advantage. Russia's vast spaces mean that the only way it can secure its borders is to extend them, which puts Russia in command of numerous minorities well-aware that they are being used as speed bumps. To manage these peoples, Russia has developed the world's most intrusive intelligence apparatus.

This centralization, combined with Russia's physical location in the middle of the flat regions of northern Eurasia, makes the country a natural counterbalance to the United States and the state most likely to participate in an anti-American coalition. Not only does Russia's location in the flatlands of Eurasia require it to expand outward to achieve security (thus making it a somewhat "continent-sized" power), its natural inclination is to dominate or ally with any major power it comes across. Due to its geographic disadvantages, Russia is not a country that can ever rest on its laurels, and its strategic need to expand makes it a natural American rival.

Unfortunately for the Americans, Russia is extremely resistant to American influence, whether that influence takes the form of enticement or pressure.

- Russia's lack of a merchant or maritime culture makes any Bretton Woods-related offers fall flat (even today Russia remains outside of the WTO).
- Russia is the biggest state in its region, making it rather nonsensical (at least in the current context) for the United States to offer Russia any kind of military alliance, since there would be no one for Russia to ally against.
- Russia's maritime exposure is extremely truncated, with its populated regions adjacent only to the geographically pinched Baltic and Black seas. This insulates it from American naval power projection.
- Even the traditional American strategy of using third parties to hem in foes does not work as well against Russia as it does against many others, since Russia's intelligence network is more than up to the task of crippling or overthrowing hostile governments in its region (vividly demonstrated

in Russia's overturning of the Kremlin-opposed governments in Ukraine, Georgia and Kyrgyzstan in recent years).

This means that the only reliable American option for limiting Russian power is the same strategy that was used during the Cold War: direct emplacement of American military forces on the Russian periphery. But this is an option that has simply been unavailable for the past eight years. From mid-2003 until the beginning of 2011, the entirety of the U.S. military's deployable land forces have been rotating into and out of Iraq and Afghanistan, leaving no flexibility to deal with a resurgence of Russian power. The American preoccupation with the Islamic world has allowed Russia a window of opportunity to recover from the Soviet collapse. Russia's resurgence is an excellent lesson in the regenerative capacities of major states.

Merely 12 years ago, Russia was not even in complete control of its own territory, with an insurgency raging in Chechnya and many other regions exercising de facto sovereignty. National savings had either disappeared in the August 1998 ruble crisis or been looted by the oligarchs. During the American wars in the Islamic world, however, the Russians reorganized, recentralized and earned prodigious volumes of cash from commodity sales. Russia now has a stable budget and more than half a trillion dollars in the bank. Its internal wars have been smothered and it has re-assimilated, broken or at least cowed all of the former Soviet states. At present, Russia is even reaching out to Germany as a means of neutralizing American military partnerships with NATO states such as Poland and Romania, and it continues to bolster Iran as a means of keeping the United States bogged down in the Middle East.

Put simply, Russia is by far the country with the greatest capacity -- and interest -- to challenge American foreign policy goals. And considering its indefensible borders, its masses of subjugated non-Russian ethnicities and the American preference for hobbling large competitors, it is certainly the state with the most to lose.

The United States

The greatest threat to the United States is its own tendency to retreat from international events. America's Founding Fathers warned the young country to not become entangled in foreign affairs -- specifically European affairs -- and such guidance served the United States well for the first 140 years of its existence.

But that advice has not been relevant to the American condition since 1916. Human history from roughly 1500 through 1898 revolved around the European experience and the struggle for dominance among European powers. In the collective minds of the founders, no good could come from the United States participating in those struggles. The distances were too long and the problems too intractable. A young United States could not hope to tip the balance of power, and besides, America's interests -- and challenges and problems -- were much closer to home. The United States involved itself in European affairs only when European affairs involved themselves in the United States. Aside from events such as the Louisiana Purchase, the War of 1812 and small-scale executions of the Monroe Doctrine, Washington's relations with Europe were cool and distant.

But in 1898 the Americans went to war with a European state, Spain, and consequently gained most of its overseas territories. Those territories were not limited to the Western Hemisphere, with the largest piece being the Philippines. From there the Americans participated in the age of imperialism just as enthusiastically as any European state. Theodore Roosevelt's Great White Fleet steamed around the world, forcing Japan to open itself up to foreign influence and announcing to the world that the Americans were emerging as a major force. Once that happened, the United States lost the luxury of isolationism. The United States not only was emerging as the predominant military and economy of the

Western Hemisphere, but its reach was going global. Its participation in World War I prevented a German victory, and by the end of World War II it was clear that the United States was one of only two powers that could appreciably impact events beyond its borders.

Such power did not -- and often still does not -- sit well with Americans. The formative settler experience ingrained in the American psyche that life should get better with every passing year and that military force plays little role in that improvement. After every major conflict from the American Revolution through World War I, the Americans largely decommissioned their military, seeing it as an unnecessary, morally distasteful expense; the thinking was that Americans did not need a major military to become who they were and that they should have one only when the need was dire. So after each conflict the Americans, for the most part, go home. The post-World War II era -- the Cold War -- is the only period in American history when disarmament did not happen after the conflict, largely because the Americans still saw themselves locked into a competition with the Soviet Union. And when that competition ended, the Americans did what they have done after every other conflict in their history: They started recalling their forces en masse.

At the time of this writing, the American wars in the Islamic world are nearly over. After 10 years of conflict, the United States is in the final stages of withdrawal from Iraq, and the Afghan drawdown has begun as well. While a small residual force may be left in one or both locations, by 2014 there will be at most one-tenth the number of American forces in the two locations combined as there were as recently as 2008.

This has two implications for the Americans and the wider world. First, the Americans are tired of war. They want to go home and shut the world out, and with the death of al Qaeda leader Osama Bin Laden on May 2, 2011, they feel that they have the opportunity to do so. Second, the American military is battle-weary. It needs to rest, recuperate and digest the lessons of the wars it has just fought, and American politicians are in a mood to allow it to do just that. But while the U.S. military is battle-weary, it is also battle-hardened, and alone among the world's militaries it remains easily deployable. Three years from now the U.S. military will be ready once again to take on the world, but that is a topic to revisit three years from now.

Between now and then, potential American rivals will not be able to do anything they wish -- American power is not evaporating -- but they will have a relatively free hand to shape their neighborhoods. American air and sea power is no small consideration, but inveterate land powers can truly be countered and contained only by ground forces.

- Russian power will consolidate and deepen its penetration into the borderlands of the Caucasus and Central Europe. While the Americans have been busy in the Islamic world, it has become readily apparent what the Russians can achieve when they are left alone for a few years. A U.S. isolationist impulse would allow the Russians to continue reworking their neighborhood and re-anchor themselves near the old Soviet empire's external borders, places like the Carpathians, the Tian Shan Mountains and the Caucasus, and perhaps even excise NATO influence from the Baltic states. While the chances of a hot war are relatively low, Stratfor still lists Russia's regeneration as the most problematic to the long-term American position because of the combination of Russia's sheer size and the fact that it is -- and will remain -- fully nuclear armed.
- Iranian power will seek to weaken the American position in the Persian Gulf. A full U.S. pullout would leave Iran the undisputed major power of the region, forcing other regional players to refigure their political calculus in dealing with Iran. Should that result in Iran achieving de facto control over the Gulf states -- either by force or diplomacy -- the United States would have little choice but to go back in and fight a much larger war than the one it just extracted itself from.

Here the American impulse to shut out the world would have imminent, obvious and potentially profound consequences.

- Stratfor does not see Chinese power continuing to expand in the economic sphere on a global scale. China suffers under an unstable financial and economic system that will collapse under its own weight regardless of what the United States does, so the United States turning introverted is not going to save China. But America's desire to retreat behind the oceans will allow the Chinese drama to play itself out without any American nudging. China will collapse on its own -- not America's -- schedule.
- German power will creep back into the world as Berlin attempts to grow its economic domination of Europe into a political structure that will last for decades. The European debt crisis is a catastrophe by all definitions save one: It is enabling the Germans to use their superior financial position to force the various euro nations to surrender sovereignty to a centralized authority that Germany controls. Unlike the Russian regeneration, the German return is not nearly as robust, multi-vectored or certain. Nonetheless, the Germans are manipulating the debt crisis to achieve the European supremacy by diplomacy and the checkbook that they failed to secure during three centuries of military competition.

The Americans will resist gains made by these powers (and others), but so long as they are loath to re-commit ground forces, their efforts will be half-hearted. Unless a power directly threatens core U.S. interests -- for example, an Iranian annexation of Iraq -- American responses will be lackluster. By the time the Americans feel ready to re-engage, many of the processes will have been well established, raising the cost and lengthening the duration of the next round of American conflict with the rest of the world.